

U. S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, DC 20416



DATE: April 12, 2000

TO: All Active Licensees  
Later-Stage License Applicants

FROM: John Wilmeth  
Chief, Data Management Staff

SUBJECT: MEMORDANDUM 2000-5  
Communication of General Announcements and Form 1031 and Form 468  
Confirmations through Electronic Mail  
Requirement for Licensees to supply electronic mail addresses of a Person to  
Receive Receipt of Form Confirmations and General Announcements  
Closing of the *Venture Lines* bulletin board

Starting Monday, April 24, 2000, the Investment Division will implement the following changes in the way it communicates with SBIC Licensees.

- The Investment Division (ID) will send Confirmations of Forms 468 and 1031 only by email. Each Licensee should designate one person to receive the confirmations and should send the email address for this person to [sbic@sba.gov](mailto:sbic@sba.gov).
- ID will no longer fax a paper copy of each Form 1031 as a confirmation of receipt.
- ID will send all General Announcements, including Funding Announcements, only by Internet Electronic mail.
- Each Licensee should designate one person to receive General Announcements and send the email address for this person to [sbic@sba.gov](mailto:sbic@sba.gov).
- ID will no longer send General Announcements by Facsimile (Fax).
- The *Venture Lines* bulletin board will close.

Under Section 107.504(a) of the Regulations, all Licensees should have access to the Internet and the capability to send and receive electronic mail via the Internet. It is the responsibility of each Licensee that currently does not have Internet electronic mail capability to find and contract with an Internet Service Provider that can provide email capability. The Investment Division does not endorse or recommend any particular company that provides this service, which is readily available throughout the country.

Licensees must provide the email address of one person who will receive confirmations for Forms 468 and 1031, and provide the email address of one person who will receive general announcements to the Data Management section. Licensees can designate the same person to receive confirmations and general announcements, and in that instance, provide only one email address. Licensees can send new email addresses and email addresses changes to [sbic@sba.gov](mailto:sbic@sba.gov).

In addition to the email addresses maintained by Data Management, individual analysts in the Office of Operations will maintain email addresses for their Licensees. The Operations analysts can forward any general announcements to Licensees at their discretion.

#### Transmission of Forms 468 and 1031

The Investment Division will close the Venture Lines bulletin board on April 21st. Licensees should send Form 1031s by email attachment to [sbic@sba.gov](mailto:sbic@sba.gov). Licensees can send Form 468 by email attachment or by diskette.

#### Confirmation of Receipt of Forms 468 and 1031

Starting April 24th, all confirmations of receipt by the Investment Division for Form 468s (Financial Statements) and Form 1031s (Portfolio Financing Report) will be sent only by Internet email. When the Investment Division receives a Form 1031 or Form 468 by email at [sbic@sba.gov](mailto:sbic@sba.gov), either from the Licensee or an outside agent such as an attorney or independent public accountant, the Investment Division will send a confirmation to the email address provided by each Licensee. The Investment Division will not maintain an address book of email addresses for outside agents employed by Licensees.

When the Investment Division receives a Form 468 on a diskette (email transmission is preferable), the Investment Division will send a confirmation by email address of the person who has been designated by Licensee to receive form confirmations. A Licensee can change the person who receives form confirmations by sending a message to the Investment Division at [sbic@sba.gov](mailto:sbic@sba.gov).

#### General Announcements (including Funding Announcements)

After April 21st, all general announcements (including funding announcements) from the Investment Division to SBIC Licensees will be sent only by Internet email. Licensees for whom the Investment Division has email addresses have been receiving these announcements by email since February 1998 along with a Fax copy of the announcement. It will be the responsibility of the recipient, designated to receive general announcements, to forward messages to his or her colleagues. The Investment Division will no longer send general announcements by Fax.

For general announcements, the Investment Division will send an email document with two attachments containing the content of the announcement. One attachment will be in Microsoft Word 6.0/Windows95. This software is upwardly compatible with later versions of Word and often can be converted to other word processing formats. The second attachment will be a PDF file, which is read by Adobe Acrobat. A free copy of the latest version of the Adobe reader is available from [www.adobe.com](http://www.adobe.com).

#### Examination Process

SBIC examiners will begin reviewing Licensees' compliance with the Internet email requirement for site visits beginning after April 21, 2000.

To facilitate examinations beginning after that date, all Licensees should attach the Form 1031 **confirmations** they receive from the Office of Investment to a paper copy of the actual Form 1031 filed and retain these documents in **one common file** for future review by examiners. The examiners will receive a list of filed Form 1031's from the Data Management Branch before going to the exam site and will compare this list with the documents in the Licensee's files.